



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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January 9, 2001

TO: Minerals File

FROM: D. Wayne Hedberg, Permit Supervisor *DWH*

RE: Documentation of January 9, 2001 Conference Call, Assessment Review & Status of Closure & Reclamation Activities, North Lily Mining Company, Tintic Project, M/023/007, Juab County, Utah

Date of Call/Meeting: January 9, 2001
Location: Division Offices
Time of Call/Meeting: 9:30 - 10:45 a.m.
Participants: Steven Flechner, Gene Webb, - North Lily Mining Company; Bob Bayer - JBR; Beth Wondimu - DWQ; Mary Ann Wright, Wayne Hedberg, and Doug Jensen - DOGM

Purpose of Call/Meeting: The purpose of this conference call was to document the progress that has been made at the Tintic Project site since our last conference call on December 19, 2000.

On January 9, 2001, a conference call was held between the representatives identified above to discuss the status of ongoing closure and reclamation activities at the Tintic Project site. The discussion focused on activities that had been performed since our last conference call. A summary of the discussion items are detailed below:

- Wayne asked North Lily if they had received yesterday's fax of the Division's latest extension letter to the Stipulated Consent Agreement. Gene confirmed receipt of the letter and extended his thanks.
- Wayne asked when the agencies would receive the latest percolation test results and the topographic contour map of the proposed drain field area. Bob apologized for the delay and stated he was planning to send this information along with their response (final design plan) to DWQ's previous stipulated approval. He said that four additional percolation tests had been performed and that the results were quite favorable. They will propose locating the infiltration system below the barren pond and it will be a gravity flow system, not pumped as previously anticipated. He felt he could have the information to us no later than close of business on January 10th.

Bob stated they could mobilize within a week from receipt of final approval to start construction of the infiltration gallery.

- Bob stated that the residual frozen ice/caustic soda will probably need to remain in the storage tank until it melts in the spring, then it can be properly disposed of. We also discussed status of the remaining equipment and processing material, residue and trash remaining in the mill processing building. We discussed the need to develop a revised plan to inventory and dispose of these materials. It was agreed that a joint assessment of the processing building would be performed onsite by JBR, DOGM, and DWQ representatives sometime during the week of January 22-26, 2001. We would also take a closer look at the existing electrical system to see what it would take to move the power supply and distribution system from the process/mill building to the adjacent storage shed.

Bob also agreed to talk with Walt and Elwin to develop a plan to inventory the "stuff" that remains in the processing/mill building which could be readily disposed of as non-deleterious materials.

- Wayne asked the status of the balance of the containerized materials remaining to be transported to the Grassy Mountain waste disposal site. Bob stated that Safety Clean required a couple additional samples to complete their profile analysis which were taken within the past two weeks. He hopes to hear back from them by the end of the week. Wayne asked Bob if there was something we could do to assist him in getting *Safety Clean* to complete the profile work more expeditiously. He felt it might work against us and that they were under a 90-day time frame presently, which has nearly expired.
- Wayne asked Bob and North Lily why we hadn't been receiving the summaries of the drain down flow and the underflow reports for some time period now. Gene explained that the phone line was accidentally severed during the recent regrading activities which, although repaired, is still causing problems in transmitting faxes of this information. He will have Elwin make copies and have them mailed to us within the next day or two.
- Bob asked Doug what he observed during yesterday's site inspection regarding the solution return flow rate. Doug indicated he had noticed a problem with the plastic inlet attachment to the weir which is "floating" giving a false albeit elevated reading. Doug believe the drain down rate may be down to 4-5 gpm. Doug said he had asked Walt to repair the inlet to correct this problem.
- Doug said the evaporative misting system hasn't been operating since January 2nd when a power "bump" shut the system down (personal contact w/Elwin). Doug wasn't concerned with the shutdown as any evaporation now would be marginal. Doug stated that the "ice castles" are continuing to melt (@40% gone), but are not apparently adding significant volumes of solution to the ponds.
- Doug also confirmed that some peripheral drainage channel construction work around the pad margins was completed, silt fences have been erected on the west side of the regraded pad to help control erosion. The perimeter fence has been reinstalled following heap regrading activities.
- Wayne asked Bob whether he had applied for and/or received approval from the Division of Solid and Hazardous Waste (DSHW) to use the barren pond as a waste disposal site (inert demolition debris). Bob stated he had spoken with DSHW personnel a couple of times and was under the impression that a permit would not be required and they could receive a variance. However, written confirmation is still pending his filing a formal request and supplemental information with DSHW.

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- We volunteered to have DOGM's legal counsel prepare an amendment to the Stipulated Consent Agreement to extend the original December 31st deadline. We would brief the Board and seek their concurrence at the January Board Hearing and advise North Lily accordingly of their decision.
- Wayne also indicated he and Doug would coordinate with DWQ to prepare a draft revised Reclamation and Closure Schedule (Exhibit A), which would itemize the remaining reclamation tasks in more detail with new dates. We hoped to complete same no later than early next week.
- We confirmed the next conference call for all parties on January 23, 2001, at 9:30 a.m.

cc: Steve Flechner, NLMC
Bob Bayer, JBR
Dennis Frederick, DWQ
Beth Wondimu, DWQ
Mary Ann Wright, DOGM
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